

ROLE OF ADVERTISING IN THE MODERN ECONOMY WORLD

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ABSTRACT

With the development of civilization, scientific and technological development has taken place at a rapid Pace, machines and equipment have started being used in production work and due to the use of power resources, the scale of production has increased surprisingly. The significance of mass production lies in mass sales. As a result, to control the sale of goods, it became necessary to attract the attention of more and more people, so that the suppressed desire for goods in them can be awakened and their desire to purchase goods can be made more and more intense. For this, it became necessary to know the qualities of the goods. This work is done in a very effective and economical manner through advertising and publicity. Apart from this, the consumer is encouraged to purchase goods and services in a psychological manner. Due to advertising, production takes place on a large scale. Due to which all the resources are used appropriately. Economic development of business becomes possible due to which national income increases and development takes place at a faster pace. Advertisements reflect the lives of common people. They give us knowledge about the morals, ways of living and the rise and fall of the culture of a nation.

KEYWORDS: Advertising, Economic, Development, Business, Enterprise, Goods and Services.

Introduction

William J. Stanton, "Advertising consists of all the activities involved in presenting to a group, a non-personal, oral or visual, openly sponsored message regarding a product or service or idea, this message is called an advertisement, is disseminated through one or more media and is paid for by the identified sponsor." Advertising is defined as any paid form of non- personal presentation and promotion of goods, services and ideas by an identified sponsor. In the present domestic and scenario, advertising prevails in all walks of human life. It has acquired the distinction of being the most visible and glamorous method of marketing communication. Advertising helps marketers to literally turn the attention of people to product or service. It spreads awareness about a product, service or idea to create interest, desire and purchase action among the consumers. Advertising plays a vital role in the modern economy, it increases the demand for goods and services, helps businesses compete, and promote economic growth. Advertising is beneficial not only for businesses but also for consumers and the overall economy.

Economic Aspects of Advertising

It helps the consumer by providing knowledge about a variety of products and services so the customer chooses the right product. Advertising also played an important role in the development of rural and urban areas. Advertising helps to increase sales that will result in the consumption of goods and flow of money. This process will improve the growth of the economy.

- **Increasing Demand:** Advertising provides consumers with information about new products and services, thereby increasing their demand.
- **Competition:** Advertising helps businesses stand out from their competitors and compete in the market.

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- **Promotes Economic Growth:** By stimulating consumption and demand, advertising promotes economic growth and creates employment opportunities.
- **Innovation:** Advertising encourages the development of new products and services, as companies constantly strive to introduce new and better products to attract consumers.
- **Consumer Awareness:** Advertising provides consumers with information about various products and services, thereby helping them make informed decisions.
- **Brand Awareness:** Advertising helps businesses raise awareness of their brands, making consumers more likely to trust them and buy them.
- **The Rise of Digital Advertising:** Digital advertising has transformed the advertising landscape, giving businesses new ways to reach and engage with their target audience.
- **Attention Economy:** Advertisers now have to compete for consumer attention, as consumers are exposed to numerous advertisements.
- **Social Impact:** Advertising also plays a role in spreading awareness and awareness about social issues, such as health, education, and the environment. In short, advertising is an integral part of the modern economy, contributing significantly to economic growth, consumer welfare, and social progress.
- **Consumer Welfare:** consumer welfare refers to individual benefits received from the consumption of goods and services. The company focuses on consumer welfare by delivering quality goods with long life duration of products. consumer welfare means the welfare of the economy
- **Standard of Living:** The standard of living refers of the level of wealth, comfort, goods and necessities available to an individual, group, nation or to a certain geographic area. The standard of living is used to compare the difference between two geographic areas. Advertising helps the economy to achieve wealth level, comfort, goods and necessities that increase the standard of living of people.

Economic Objectives of Advertising

In a modern economy, advertising play a vital role in stimulating demand, fostering competition, and driving economic growth. It informs consumers about available products and service, helps businesses reach target audiences, and ultimately contributes to a dynamic marketplace. Increased consumer spending, stimulated by effective advertising, can contribute to overall economic growth. More sales can lead to more jobs, more production, and more investment in the economy.

- It increases the per capital use of the product by constant repetition of advertisements.
- Gross domestic produced (GDP) is the total of all the goods and services produced in a country over the period of time. However, it is difficult to measure the GDP because there are some unofficial transaction happens in the economy which is not reported to the government. Advertising helps to boost the production of more goods and services that increase GDP.
- It helps the enterprise to secure better employees, executives, salesmen, workers etc.
- Increasing the area of advertising form local to regional, national and international fields.
- Evolution and development of different media of advertising.
- Increasing literacy was also responsible for the development of advertising media.
- It enables large-scale production by widening the extent of the market for goods.
- The main objective of advertising is to sell goods or service to the largest possible market. On the contrary, the main objective of propaganda is to disseminate a particular idea, doctrine or message among its followers.
- It increases the profits of the enterprise.
- Advertisement has become an industry these days. It provides handsome employment to a very large number of persons directly and indirectly.

- It increases the confidence and moral of the workers by developing the feeling that they are working in a reputed enterprise where their jobs are not secured but also have wide promotion amenities.
- Increased consumer spending, stimulated by effective advertising, can contribute to overall economic growth. More sales can lead to more jobs, more production, and more investment in the economy.
- Advertising creates gainful employment opportunities directly and indirectly. Directly, it gives employment to painters, artists, photographers, technicians etc. Indirectly, it gives employment by supporting all those industries like paper, paint, electronics etc. which provide inputs for advertising activities.

Advantages to Society

Advertising helps the society as a whole in many ways. By leading to large-scale production, advertising creates more employment opportunities. It provides employment to advertising professionals like artists, copywriters, account executives and visualisers in agencies. Advertising starts a process of creating more wants and their satisfaction, resulting in a higher standard of living and improve quality of life for the community. It helps to popularise new products and gadgets like new models of car, TVs, household appliances, computers, mobile phones and FMCG items. Advertising subsidises the media like newspaper, magazines and TV channels, thereby making them affordable and popular. Lastly advertising make people aware of social problems like environment degradation, HIV/AIDS, dangers of drug, tobacco and alcohol abuse, etc, motivating them to change their behavior and attitude and to become responsible and good citizens. Advertising creates gainful employment opportunities directly and indirectly. Directly, it gives employment to painters, artists, photographers, technicians etc. Indirectly, it gives employment by supporting all those industries like paper, paint, and electronics etc. which provide inputs for advertising activities.

Conclusion

It is a time of advertisement. No business or industrial enterprise can survive without advertisement in the modern business word, because in every walk of business and industrial activities, there is a throat- cut competition. To face and win this competition successfully, it become imperative for every enterprise that it advertises what it has and what it wants to sell to the consumers. Advertising is useful not only for the business and industrial enterprises but for the whole community as a whole. Advertising also plays an important role in the business cycle. As the broader economy shifts between periods of growth and recession, advertising shifts its focus. During a recession, such as the one we're in now, advertising may focus on the price of a product or service. If one company reduces advertising to reduce costs during a recession, another company may increase advertising spending to attract customers and increase its market share. Advertising helps stimulate economic growth. In a country where consumer spending determines the future of the economy, advertising motivates people to spend more. By encouraging more purchases, advertising promotes both job growth and productivity growth to help meet rising demand and ensure each consumer has more to spend.

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